

**Testimony of Louis Celli**  
**Committee on Small Business & Entrepreneurship**  
**“Assessing Federal Small Business Assistance Programs**  
**For Veterans and Reservists”**  
**January 31, 2007**  
**Washington, D.C.**

Good morning, Senators. Thank you for the invitation to come before you and share my experiences and work within the veteran business owner community..

Senator Kerry, like you I too am from Massachusetts and like you I too left the service and started my own business.

I am a 22 year veteran of the United States Army, a Service Disabled Veteran and have started 2 business.

My company, The Northeast Veterans Business Resource Center is headquartered in Massachusetts and have recently opened an office at Walter Reed Army Medical Hospital.

We are a nonprofit organization that teaches, coaches and mentors veterans to start and grow microenterprises and small businesses. Over the past 4 years, we have trained over 2 thousand veterans through formal training and have served over 4 thousand veterans through counseling, seminars and formal classes.

I serve as the Vice Chairman for the American Legion's Veterans' Small Business Task Force and have recently been elected to serve as Chairman of the Small Business Administration's Advisory Committee on Veterans Business Affairs.

I have been asked for my opinion and to relate my experiences regarding the challenges veterans experience while trying to start businesses and specifically examples of Guard and Reserve business owners who have suffered damages to their businesses as a result of military deployment, and what recommendations I might have to that might help our veteran community.

One of our clients owns a computer repair store in Boston. His story is the most common. He received notification that he was being deployed 1 week prior to his activation. His wife was the principal owner and could not afford to replace him during his deployment at the going rate for a Senior Engineer of 70-80 Thousand dollars, so they decided to close the business until he returned. Like me he believed that there would be some kind of government program in place to assist him when he returned which is the only thing that gave him and his wife solos. While he was away, the bills still needed to be paid and his military income was substantially lower than his small business income. He and his wife began to fall behind on their payments and suffered credit damage while he was deployed. When he returned, he tried to get a loan from all available disaster and commercial programs but was denied due to poor credit rating.

Another of our clients faces a different problem. He and a partner started a business together. Our client is deployed for more than a year. When he returns, his business partner had incurred debt due to his absence while trying to sustain the business. The partner who remained has grown the business based on the existing client base and the year worth of recruiting efforts. Who now owns what part of the company?

Senator Kerry, Senator Snowe, congress and specifically this committee have been working for veteran business owners for years. Public Law 106-50, 108-183, Executive Order 13360 and most recently, Public Law 109-461. In my opinion, we don't more laws, we just need to enforce the one's we have. More funding will definitely help, we don't have nearly the funding needed to serve the veterans who require services.

Public Law 106-50 was a complicated, intricate and very well written. I have had many spirited discussions about this with my colleagues, many of whom are here today.

There are 7 parts to 106-50 which were all designed to work independently while working toward a common goal. Each of the entities created by 106-50 The SBA office of Veterans Business Development, The VA Center for Veteran Enterprise, The SBA Advisory Committee, The Veterans Corporation, The Veterans Representative for SCORE and all of the others, were suppose to work cooperatively toward the common goal of assisting veteran business owners AND SUPPORTING EACH OTHER while WORKING TOGETHER. 106-50 set in motion a 4 year plan, at the pinnacle of the 4<sup>th</sup> year, all of these agencies were suppose to be working together, supporting each other so they might serve a greater population of veterans as a team. Instead, none of the entities worked together as a team and simply coexisted. If there had been an administrator to oversee 106-50, a single entity with the sole purpose of making sure the separate agencies and organizations not only complied with the letter of the law but with the spirit as well, I believe that all of these separate parts would be thriving by now rather than struggling to survive.

In my opinion, we don't necessarily need more laws, we just need to enforce the one's we worked so hard to produce in the first place. And, oh yea, did I mention funding??

Changing "May" to "Shall" might help, but it really shouldn't be necessary in the first place, it should be understood.

- As you seek to assist veteran business owners, I ask that you consider committing adequate funding for training and assistance.
- Implement a veterans direct loan program to assist veterans who wish to start businesses.
- Invest in a Guard and Reserve deployment business care program which will train, prepare and support business owners who are called upon by our country to defend our constitution of the United States of America.

I would be happy to assist with detailed suggestions for these recommendations should your committee wish to pursue them further.

Thank you,

Louis J. Celli Jr.

CEO

Northeast Veterans Business Resource Center Inc.

"Serving American heroes, one business at a time"

617.938.3933

[www.nevbrc.org](http://www.nevbrc.org)